

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

IN RE APPLICATION OF : David Martin
FOR : METHOD AND DEVICE FOR PREVENTING CHECK
FRAUD
SERIAL NO. : 09/345,202
FILED : June 30, 1999
EXAMINER : Geoffrey Akers
ART UNIT : 3624
LAST OFFICE ACTION : January 23, 2003
ATTORNEY DOCKET NO. : 30236.30006

Akron, Ohio 44308-1471
October 20, 2003

CERTIFICATE OF MAILING

I hereby certify that this **APPEAL BRIEF** is being deposited with the United States Postal Service on this date October 20, 2003 in an envelope marked as "Express Mail Post Office to Addressee" service under 37 CFR 1.10 Mailing Label Number EV 338 864 733 05 addressed to: Mail Stop Appeal Brief- Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

By: D.M. Kempthorn
D. M. Kempthorn

Mail Stop Appeal Brief- Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

BRIEF OF APPELLANTS

Dear Sir:

This is an appeal from the rejection by the Examiner mailed January 23, 2003, rejecting claims 1, 6-12, 14, 15, 20, and 23. The Appellant's brief is accompanied by the required fee under Section 1.17(c). Following are the nine appeal brief items, under appropriate headings and in proper order, as required under 37 C.F.R. § 1.192(c).

REAL PARTY IN INTEREST

The real party in interest in this case is David Martin, the inventor.

RELATED APPEALS AND INTERFERENCES

No other appeal or interferences are known that would directly affect, be directly affected by, or have a bearing on the Board's decision in the pending Appeal.

STATUS OF CLAIMS

This application is a non-provisional application, having a filing date of June 30, 1999. Twenty-three claims were originally filed, of which Claims 1, 2, 6, 10, 16, and 20 were independent.

After receiving the First Office Action, mailed on December 6, 2001 for the present application, the applicant and the undersigned conducted an in-person interview with Examiner Akers. On June 5, 2002 a Request for Continued Examination was filed. On August 9, 2002, a Preliminary Amendment was filed, canceling Claims 2-5, 13, 16-19, 21, and 22, and amending Claims 1, 6-8, 10, 14, 20, and 23. A final office action was issued on August 22, 2002. On October 3, 2002, the Preliminary Amendment was re-submitted per the request of Examiner Akers. An Advisory Action was issued November 4, 2002, stating that the Preliminary Amendment B would not be entered. On November 22, 2002, another Request for Continued Examination was filed, along with Preliminary Amendment B. In the last Office Action, dated

January 23, 2003, from which this appeal is taken, Claims 1, 6-12, 14, 15, 20, and 23 were pending and were all rejected. The status of the claims, as set forth in the Office Action is as follows:

Allowed claims: None;

Claims objected to: None;

Claims rejected: 1, 6-12, 14, 15, 20, and 23.

STATUS OF AMENDMENTS

No amendment was filed subsequent to the Office Action mailed on January 23, 2003.

SUMMARY OF THE INVENTION

This invention pertains to the art of devices and methods for preventing check fraud, and more particularly to an integrated fraud-preventing process between the customer and the bank.

A method for preventing fraud is claimed comprising the steps of delivering to an associated drawee at least one negotiable instrument drawn to an associated drawer's account, putting the at least one negotiable instrument into an electronic format to be viewed on a global computer network, viewing the at least one negotiable instrument on the global computer network, and having the drawer advise the drawee which of the at least one negotiable instruments to pay.

With reference now to FIGURE 1, an inventive check 10, for aiding in the prevention of check fraud, includes a barcode 12, a routing number 14, an account number 16, a check number 18, a signature line 26, a payee identifier line 28, a date line 20, an amount box 22, and a memo line 24. In a preferred embodiment, the bar code 12 is placed on the check 10 after the check 10 has been written by the customer. The barcode 12 includes the amount of the check; the date the check was written, the account number, the bank's routing number, and the payee of the check.

The present invention encompasses using any one, or any combination, of these elements. However, in the preferred embodiment, all of the elements are included in the barcode 12. The bar code 12 is a standard bar code (e.g., UPC, EAN, JAN, or UPC 128), which is readable by a variety of bar code reading devices. The check 10 and the bar code 12 are only intended to be preferred embodiments of the invention. Any negotiable instrument or machine readable code may be used in the place of the check 10 and the bar code 12, respectively.

In the preferred embodiment, the customer writes a check 10, by entering the necessary information into a software program. The customer enters the information required, in the software fields, for the check 10. The software program then generates, electronically, a check 10 containing all the information entered by the customer. Once the check 10 has been created, the information from the check 10, including the payee, the amount of the check 10, the date of the check 10, the check number, the account number, and the drawee bank's routing number are electronically transferred to the drawee bank. The transfer of the information to the drawee bank preferably takes place over a secured line modem, but any means of transferring, electronically or otherwise, the information can be used, as long as chosen using sound engineering judgment. When the drawee bank receives the information, the information is downloaded into the drawee bank's system in preparation for the presentment of the check 10.

The software program is linked to an apparatus that can print the check 10 as well as a barcode 12 on the check 10. The invention also encompasses the bar code 12 being printed on an adhesive sticker and applied to one of several locations on the check 10. If the adhesive sticker bar code 12 is used, then the check 10 does not need to be generated by a software program. As long as the bar code 12 is generated by the software program, the bar code 12 can be applied to a regular, blank check 10.

Once the information is entered into the software program by the customer, the printer will print the check 10 with the barcode 12 on the check 10. The barcode 12 will include some

or all of the following: the payee of the check, the amount of the check, date the check was written, the drawer's account number, the drawee's routing number, and the identifier number of the check 10. The operation of the printer, and application of the barcode 12 to the check 10, is well known in the art and, for the sake of brevity, will not be described herein.

The check 10 is then sent to the payee. When the payee presents the check 10 to the bank, the bank then uses a laser scanner, which is connected to the drawee's system, to read the bar code 12 on the check 10. The laser scanner is scanned across the bar code 12 to read the bar code 12. The laser scanner may be either a hand-held scanner or a stationary bar code scanner capable of reading the bar code 12. The information from the bar code 12 is entered into the bank's system and the system determines the account number, the routing number, the amount of the check 10, the date the check 10 was written, and any other information contained in the bar code 12. The information from the bar code 12 is compared to the information on the check 10. If the information on the check 10 matches the information on the barcode 12, the bank then pays the check 10. The barcode scanner used by the bank can be any type of scanner chosen using sound engineering judgment. The operation of the barcode scanner is well known in the art, and, for sake of brevity, will not be further described herein.

The entire system of the preferred embodiment is done automatically. This allows the process to be available to individuals as well as large companies. The inventive process will allow banks, and other financial institutions, to check the authenticity of every check that the bank processes. The checks are received in large quantities and are simply fed into the bar code scanner and each bar code 12 is read by the scanner and the information on the bar code 12 is compared to the information that the bank received from the customer when the check 10 was created. If the information matches, the system simply pays the check. If the information does not match, then the system sends a notice to the customer about the discrepancy. This notification to the customer could take place via any method chosen using sound engineering

judgment, but in the preferred embodiment, the bank sends the information to the customer via an on-line banking system.

When the customer views the account on-line, the checks that did not match will be presented to the customer, and the customer can either tell the bank to go ahead and pay the check anyway, or to not pay the check. If the customer tells the bank not to pay the check, the bank can then proceed with an investigation of the fraudulent check.

The invention also encompasses the drawee simply paying the check 10 after the bar code 12 has been scanned, and the corresponding check 10 has been authenticated . In this embodiment, the drawee does not compare the information from the check 10 to the information provided on the bar code 12. The check 10 will be paid according to the information provided on the bar code 12.

In another preferred embodiment, the check 10 does not include a barcode 12. A check 10 is written by the drawer, in typical fashion, and then sent out to the payee. When the payee presents the check 10 to the bank, the bank transfers the information from the check 10 into an electronic database, wherefrom the information is transferred via the Internet to a central database. The transfer of the information from the bank's electronic database via the Internet can be done by any means chosen using sound engineering judgment, but preferably the transfer takes place through a modem and data link. The data link allows transfer of the information between the bank's modem and the Internet. The drawer accesses the drawer's account via the Internet, and views the checks 10 that have been presented for payment to the bank. The operation and institution of on-line bank accounts and on-line banking are well known in the art and, for the sake of brevity, will not be further described herein. The drawer then marks off the checks 10 that are authentic, and sends the information to the bank. The bank then pays only the checks 10 that have been authorized by the drawer.

In a most preferred embodiment, the entire process is integrated and automated. The inventive process of the most preferred embodiment integrates the process from the writing of the check 10, to the payment of the check 10, to the balancing of the checking account. In the most preferred embodiment, the bank and the customer utilize the same system. The bank provides a network, or an on-line banking system, for the customer's account, so that when the customer accesses the account, the customer is linked to the bank's system.

The process begins with the customer writing a check 10. The customer enters the information into a computer to create the check 10. As soon as the information is entered and approved by the customer, the information on the check 10, which includes the payee, the amount of the check 10, the date the check 10 was created, the customer's account number, the bank's routing number, and the check number, is in the bank's system, and the bank is then aware that that check has been authorized by the customer. Just as in the previous embodiment, the check 10 is then printed out with a bar code 10 attached to it with the relevant information contained in the bar code 12. The check 10 is then presented to the payee, who scans the check 10 using a bar code scanner to read the bar code 12. The information from the bar code 12 is sent directly to the payee's bank for clearing and the payee bank electronically transfers the information to the drawee bank. Since the drawee bank already has the information from the bar code 12 in the bank's system, the drawee bank approves the payment of the check 10, debits the customer's account and the payee bank then credits the payee's account. This process is virtually instantaneous, thereby avoiding the sometimes days long delay of payment for the payee or the payee's bank.

When the drawee bank debits the customer's account, the bank's system is automatically updated and the customer's account reflects the departure of the funds. In the inventive process, the customer's record of the account is also automatically updated to reflect the payment of the check 10. This eliminates the need to balance the checking account at the end of each month.

When the customer logs onto the on-line banking system to view the customer's account, the amount of money in the account will always be up to date.

The most preferred embodiment encompasses the bank directly making the payment to the payee instead of creating the check 10. When the customer enters the information for the creation of the check 10, the bank automatically makes a payment to the payee in the authorized amount.

The most preferred embodiment also encompasses the customer and the bank using different systems, where when the check 10 was created, the customer would have to transfer the information from the customer's system to the bank's system, and when the check was paid by the bank, the bank would have to transfer the information from the bank's system to the customer's system.

Another preferred embodiment that relates to the most preferred embodiment includes integrating the entire process at the point of sale as well. In this preferred embodiment, the check 10 is written by hand by the customer. When the customer presents the check 10 to the payee, the payee scans the check 10 using an optical scanner capable of reading the physical writing on the check 10. The information from the check 10 is then sent directly to the payee's bank, which then transfers the information to the drawee bank. The drawee bank would then transfer the information to the customer's account for approval. When the customer logs onto the on-line banking system, the check 10 will be presented for approval. Once the customer's approval has been obtained, the drawee bank then makes the payment to the payee's bank, which in turn makes the payment to the payee.

The invention has been described with reference to preferred embodiments. It is to be understood that the references to checks throughout this specification apply equally well to any negotiable instrument, and the references to banks apply equally well to any financial institution.

The invention also encompasses the payee bank and the drawee bank being the same entity. Obviously, modifications and alterations will occur to others upon a reading and understanding of this specification. It is intended to include all such modifications and alternations in so far as they come within the scope of the appended claims or the equivalents thereof.

ISSUES

The Examiner has rejected claim 1 under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 6,212,504 to Hayosh (hereinafter "Hayosh") in view of U.S. Patent No. 5,903,881 to Schrader (hereinafter "Schrader") and in view of U.S. Patent No. 5,367,148 to Carney (hereinafter "Carney"). The Examiner has also rejected claims 10, 11, and 20 under 35 U.S.C. § 103 as being unpatentable over U.S. Patent No. 6,195,452 to Royer (hereinafter "Royer"). The Examiner has also rejected claims 6, 7-9, 12, and 14 under 35 U.S.C. § 103 as being unpatentable over Carney in view of Schrader. The Examiner has also reject claims 15 and 23 under 35 U.S.C. § 103 as being unpatentable over Carney in view of Schrader and further in view of Royer. The Examiner also rejected claims 1, 6-12, 14, 15, 20, and 23 under the judicially created doctrine of double patenting over claims 1-14 of U.S. Patent No. 6,390,362 to Martin. If the obviousness rejections are removed from the claims, the applicant would be willing to file an appropriate terminal disclaimer. At issue is whether Hayosh, Schrader, Carney, and/or Royer form the basis of an obviousness rejection under 35 U.S.C. §103 for Claims 1, 6-12, 14, 15, 20, and 23.

GROUPING OF CLAIMS

Claims 1, 10-12, 14, 15, 20, and 23 stand or fall together, whereas claims 6-9 could be separately patentable. Claims 6-9 could be separately patentable because those claims refer to a method for viewing negotiable instruments via a global computer network and having the drawer advise the drawee which instruments to pay.

ARGUMENT

The Examiner has rejected claim 1 under 35 U.S.C. § 103 as being unpatentable over Hayosh in view of Schrader and in view of Carney. The Examiner has also rejected claims 10, 11, and 20 under 35 U.S.C. § 103 as being unpatentable over Royer. The Examiner has also rejected claims 6, 7-9, 12, and 14 under 35 U.S.C. § 103 as being unpatentable over Carney in view of Schrader. The Examiner has also reject claims 15 and 23 under 35 U.S.C. § 103 as being unpatentable over Carney in view of Schrader and further in view of Royer. The Examiner also rejected claims 1, 6-12, 14, 15, 20, and 23 under the judicially created doctrine of double patenting over claims 1-14 of U.S. Patent No. 6,390,362 to Martin. If the obviousness rejections are removed from the claims, the applicant would be willing to file an appropriate terminal disclaimer. At issue is whether Hayosh, Schrader, Carney, and/or Royer form the basis of an obviousness rejection under 35 U.S.C. §103 for Claims 1, 6-12, 14, 15, 20, and 23.

It is the Examiner's position that claim 1 is unpatentable over Hayosh in view of Schrader and in view of Carney. As per claim 1, the Examiner believes Hayosh teaches a method for preventing check fraud, the method comprising the steps of providing a bank with a bank routing number and providing a customer having an account with the bank and a corresponding account number (Fig 1) having the customer electronically create a check containing at least a payee, an amount, a date, a customer name, and a check number (Fig 1). The Examiner believes that Hayosh teaches attaching a bar code on the check (Fig 1) using electronic placement means wherein the bar code contains the customer's account number, the bank's routing number and at least one piece of information selected from the group consisting of the payee, the amount, the date, the customer's name, and the check number (col. 11 line 11-col. 14 line 22). The Examiner further believes that Carney teaches delivering the check to the bank and scanning the bar code and, paying the check only if the information printed on the check is identical to the at least one piece of information on the bar code (col. 4 lines 5-38). The Examiner believes it would have been obvious to one skilled in the art at the time of the invention to combine Hayosh in view of

Carney to teach the above. The Examiner believes the motivation to combine is to teach a system for fraud prevention for checks as enunciated by Carney (col. 2 lines 45-48).

I. CLAIM 1
REJECTIONS UNDER 35 U.S.C. § 103

Numerous reasons exist why the rejection under § 103 is improper. First, there is no basis to combine Hayosh and Carney to arrive at the present invention. In fact, the cited references teach away from the present invention because neither reference contemplates nor solves the same problem as that in the present invention. Second, all claim limitations must be considered, and elements of the claims at issue are still not taught by any of the cited references.

Claim 1

Prima facie case of obviousness not established--Through the decisions of the CCPA and the Court of Appeals for the Federal Circuit, certain well-established principles of claim construction and review have been developed. If these principles are not met, a prima facie case of obviousness under 35 USC § 103 has not been established and the claim in issue should be allowed. The undersigned respectfully suggests that these tests are not met by the prior art in this case and a prima facie case of obviousness has not been established. These tests will be briefly applied to the individual claims rejected by the proposed combination.

There must be basis for the combination--The references themselves must suggest the combination proposed in the Office Action. There is no suggestion in either the Hayosh or the Carney reference that would lead one to arrive at the applicant's invention. Hayosh does not describe the processing of the checks by the bank or electronically forwarding specific information to the bank, and Carney does not disclose or refer to electronic creation of a check to include security features. The mention of a desire to provide a data processing system for

managing check preparation and processing to prevent check alteration alone does not render Carney combinable with Hayosh. Therefore, there is no suggestion in either reference of the combination proposed in the Office Action.

Obviousness to try and modification or combination of references is not the standard--The Examiner is not only combining references but he is also modifying them without any support for doing so. In order to render claim 1 obvious, the Carney and/or the Hayosh reference would have to be improperly modified to describe a fully automated system of matching the information on the check with the information the bank expects to see. Both Hayosh and Carney are self-authenticating documents. The present invention is not a self-authenticating document. In Carney, a "data processing system reads, interprets, and converts alpha characters found in payee names to a numeric value. The numeric information from the payee is combined with select information from the MICR line and other parts of the check (check number, account number, issue date and dollar amount), and the combined information is used in a check digit routine. The result of the check digit routine is conveyed to the drawee bank. The drawee bank will use this information to validate the check upon presentment before final payment." (see col. 2, lines 53-62)

In one embodiment of the present invention, "The customer enters the information required, in the software fields, for the check 10. The software program then generates, electronically, a check 10 containing all the information entered by the customer. Once the check 10 has been created, the information from the check 10, including the payee, the amount of the check 10, the date of the check 10, the check number, the account number, and the drawee bank's routing number are electronically transferred to the drawee bank." (see page 12, lines 10-15). When the bank receives the check, they scan the bar code, and compare the information on the bar code with the information already stored in the bank's system. Only if the information matches will the bank pay the check. (see page 13, lines 9-22).

In Hayosh, the patentee clearly defines his invention as self-authenticating (see col. 6, lines 40-42). Hayosh also states, "If the check uses a taggant character, then its data is also contained in the clear text portion of the bar code format so that that data may be easily used for machine comparison and correlation with the data taken from the physical taggant when the check or other value document is later authenticated." (see col. 7, lines 1-6). Hayosh, in describing the creation of the check, states, "The customized printing usually includes the issuing firm's name and its bank logos, in addition to the check serial number, the payee name, the date, the amount in words, the convenience amount (written in numbers) and optionally, the issuing authority's signature." (see col. 2, lines 35-39). As Hayosh and Carney are both self-authenticating documents, all that is required by a criminal to create fraudulent checks that clear the bank, is to steal the required algorithms. Both inventions would have to be improperly modified and combined to attain the present invention. A prima facie case of obviousness is not made out when two references are improperly combined and then modified further to meet the limitations of the claim in issue.

All claim limitations must be considered--35 USC § 103 requires that the subject matter as a whole be reviewed. There are certain limitations of Amended Claim 1 which are still not shown in the combination proposed by the Examiner. For example, neither of the references disclose the combination of "electronically transferring the account number, the routing number, and the at least one piece of information to the bank; presenting the check to the bank; scanning the bar code; and paying the check only if the information printed on the check is identical to the at least one piece of information on the bar code," as recited in Amended Claim 1. The Examiner's statement that Carney teaches delivering the check to the bank and scanning the bar code and, paying the check only if the information printed on the check is identical to the at least one piece of information on the bar code is inaccurate. That section of Carney only teaches a self-authenticating determination of an algorithm. According to 35 USC § 103, it must be considered and given proper weight if the correct result is to be reached.

Claims 10, 11, and 20

Numerous reasons exist why the rejection under § 103 is improper. First, Royer teaches away from the present invention because the reference does not contemplate or solve the same problem as that in the present invention. Second, all claim limitations must be considered, and elements of the claims at issue are still not taught by any of the cited reference.

Obviousness to try and modification of references is not the standard--The Examiner is modifying the reference without any support for doing so. In order to render claims 10, 11, and 20 obvious, the Royer reference would have to be improperly modified to enable the invention to correlate machine readable code on a check and the database at the bank to verify the check. Royer states, "The subject invention is a process for improving the process of authenticating a negotiable instrument such as checks, comprising the usage of a series of alphanumeric coded and/or numerically designated portions on the face of the check, which portions can be marked in part according to a predetermined code so as to supplement a signature on the instrument for authenticity purposes." (see col. 2, lines 20-26). A predetermined code authenticates other items on the check. Also, the Royer invention simply correlates printed data on the check and coded data on the check. The Royer invention, like the Carney and Hayosh, is merely a self-authentication process. If a third party can obtain, or decipher, the secret code of Royer, that person can easily create fraudulent checks, which will clear the bank. The present invention prevents this by transferring the information to the bank, so that the bank has the relevant, and correct, information prior to presentment of the check. The present invention also teaches a method enabling the bank to compare, in automated fashion, the information previously received, against the check being presented. A prima facie case of obviousness is not made out when the reference is improperly modified to meet the limitations of the claim in issue.

All claim limitations must be considered--35 USC § 103 requires that the subject matter as a whole be reviewed. There are certain limitations of Claims 10, 11, and 20 which are still not shown in the combination proposed by the Examiner. For example, Royer does not

describe “electronically transferring the account number, the routing number, and the at least one piece of information to the drawee,” as recited in amended claim 10. Royer does not describe or suggest this element of Amended Claim 10. In fact, in his rejection, the Examiner does not even cite a place in the Royer patent where he believes this element is recited. The Examiner is silent as to this element of the claims. According to 35 USC § 103, it must be considered and given proper weight if the correct result is to be reached.

Claims 6, 7-9, 12, and 14

Numerous reasons exist why the rejection under § 103 is improper. First, Carney and Schrader teach away from the present invention because the reference does not contemplate or solve the same problem as that in the present invention. Second, all claim limitations must be considered, and elements of the claims at issue are still not taught by any of the cited references.

There must be basis for the combination--The references themselves must suggest the combination proposed in the Office Action. There is no suggestion in either the Schrader or the Carney reference that would lead one to arrive at the applicant’s invention. Schrader does not describe putting the negotiable instrument in electronic format to be viewed on a global computer network. Schrader’s financial software product that “provides for an integration of all of the relevant information about a user’s account in a single user interface display” (see col. 5, lines 49-52) does not render Carney combinable with Schrader. Schrader is intended to “integrate end user checkbook activities directly with bank statement transactions,” (see col. 1, lines 11-12), and Carney uses a “transformation algorithm to convert the printed payee information and issue date on the check into a numerical value that is combined with MICR line information and a check digit is calculated based upon pre-agreed logic.” (see Abstract). The purpose of Schrader is to enable the users to manage their checking accounts, not to prevent check fraud. Therefore, there is no suggestion in either reference of the combination proposed in the Office Action.

Obviousness to try and modification or combination of references is not the standard--The Examiner is not only combining references but he is also modifying them without any support for doing so. In order to render claim 1 obvious, the Carney and/or the Schrader reference would have to be improperly modified to describe a fully automated system of matching the information on the check, via a global computer network, with the information the bank expects to see. In Carney, a "data processing system reads, interprets, and converts alpha characters found in payee names to a numeric value. The numeric information from the payee is combined with select information from the MICR line and other parts of the check (check number, account number, issue date and dollar amount), and the combined information is used in a check digit routine. The result of the check digit routine is conveyed to the drawee bank. The drawee bank will use this information to validate the check upon presentment before final payment." (see col. 2, lines 53-62). Schrader provides "a system, method, and financial software product that integrates the key banking tasks and information requirements users need to perform a variety of useful banking activities." (see col. 5, lines 60-64). Either or both references would have to be modified to obtain placing an electronic version of the negotiable instrument on a global computer network for automated comparison and approval.

In one embodiment of the present invention, "[T]he payee presents the check 10 to the bank, the bank transfers the information from the check 10 into an electronic database, wherefrom the information is transferred via the Internet to a central database.... The drawer accesses the drawer's account via the Internet, and views the checks 10 that have been presented for payment to the bank.... The drawer then marks off the checks 10 that are authentic, and sends the information to the bank." (see page 14 line 21 - page 15 line 3). Neither reference refers to or teaches this method.

All claim limitations must be considered--35 USC § 103 requires that the subject matter as a whole be reviewed. There are certain limitations of Amended Claims 6, and 7-9 which are still not shown in the combination proposed by the Examiner. For example, neither of

the references disclose "putting the at least one negotiable instrument into an electronic format to be viewed on a global computer network," or "having the drawer advise the drawee which of the at least one negotiable instruments to pay," as recited in Amended Claims 6, and 7-9. Neither reference disclose "paying the negotiable instrument only if the information on the machine-readable code is identical to the at least one piece of information on the at least one negotiable instrument," as claim in claim 12 or "automatically comparing the information on the at least one negotiable instrument to the information in the drawee database," as recited in Amended claim 14. According to 35 USC § 103, it must be considered and given proper weight if the correct result is to be reached.

Claims 15 and 23

The arguments made above equally apply to claims 15 and 23 and are hereby incorporated by reference.

For the foregoing reasons, it is submitted that the Examiner's rejection of the claims was erroneous, and reversal of the decision is respectfully requested.

Respectfully submitted,

BROUSE MCDOWELL

October 20, 2003
Date



Daniel A. Thomson
Reg. 43,189
500 First National Tower
106 South Main Street
Akron, OH 44308-1471
(330) 535-9999

APPENDIX (37 C.F.R. 1.192(c)(7))

1. (Previously Amended) A method for preventing check fraud, the method comprising the steps of:

electronically creating a check containing at least a payee, an amount, a date, a customer name, and a check number;

attaching a bar code on the check using electronic placement means wherein the bar code contains an associated customer's account number, an associated bank's routing number and at least one piece of information selected from the group consisting of the payee, the amount, the date, the customer's name, and the check number;

electronically transferring the account number, the routing number, and the at least one piece of information to the bank;

presenting the check to the bank;

scanning the bar code; and,

paying the check only if the information printed on the check is identical to the at least one piece of information on the bar code.

Claims 2-5 (Cancelled)

6. (Previously Amended) A method for preventing fraud, the method comprising the steps of:

delivering to an associated drawee at least one negotiable instrument drawn to an associated drawer's account;

putting the at least one negotiable instrument into an electronic format to be viewed on a global computer network;

viewing the at least one negotiable instrument on the global computer network; and,

having the drawer advise the drawee which of the at least one negotiable instruments to pay.

7. (Previously Amended) The method of claim 6, wherein putting the at least one negotiable instrument into an electronic format to be viewed on the global computer network comprises the steps of:

entering the information from the negotiable instrument into an electronic database;
linking the electronic database with the drawer's account; and,
transferring information from the electronic database to the global computer network.

8. (Previously Amended) The method of claim 6, wherein viewing the at least one negotiable instrument on the global computer network comprises the steps of:

determining if any of the at least one negotiable instruments were created by the drawer;
and,

electronically marking any of the at least one negotiable instruments that were created by the drawer.

9. (Original) The method of claim 8, wherein the method further comprises the step of:

paying the at least one negotiable instrument that the drawer has advised the drawee to pay.

10. (Once Amended) A method for preventing fraud, the method comprising the steps of:

creating at least one negotiable instrument containing at least, a payee, an amount, a date, and an associated drawee's identity;

providing a machine readable code;

attaching the machine readable code on the at least one negotiable instrument, the machine readable code containing an associated drawer's account number, the drawee's routing number and at least one piece of information selected from the group comprising, the payee, the

amount, the date, the identity of the drawer, a memo, and a identifier number corresponding to the at least one negotiable instrument;

electronically transferring the account number, the routing number, and the at least one piece of information to the drawee; and,

entering the account number, the routing number, and the at least one piece of information into a database.

11. (Original) The method of claim 10, wherein the method further comprises the steps of the drawee:

receiving the at least one negotiable instrument; and,
scanning the machine-readable code.

12. (Original) The method of claim 11, wherein the method further comprises the steps of the drawee:

determining whether information printed on the at least one negotiable instrument is identical to the at least one piece of information on the machine readable code; and,
paying the negotiable instrument only if the information on the machine-readable code is identical to the at least one piece of information on the at least one negotiable instrument.

Claim 13 (Cancelled)

14. (Once Amended) The method of claim 12, wherein after scanning the machine readable code, the method comprises the step of:

automatically comparing the information on the at least one negotiable instrument to the information in the drawee database.

15. (Original) The method of claim 12, wherein determining whether information printed on the at least one negotiable instrument is identical to the at least one piece of information on the machine readable code comprises the step of:

notifying the drawer if the information printed on the at least one negotiable instrument is not identical to the at least one piece of information on the machine-readable code.

Claims 16-19 (Cancelled)

20. (Previously Amended) A method for integrating the creation and processing of negotiable instruments, the method comprising the steps of:

- providing a drawer having an account with a corresponding account number;
- providing a drawee with a drawee routing number;
- creating at least one negotiable instrument containing information that contains at least, a payee, an amount, a date, and a drawee's identity;
- providing a machine readable code; and,
- attaching the machine readable code on the at least one negotiable instrument, the machine readable code containing the drawer's account number, the drawee's routing number and at least one piece of information selected from the group comprising, the payee, the amount, the date, the identity of the drawer, a memo, and a identifier number corresponding to the at least one negotiable instrument;
- electronically transferring the information to the drawee bank;
- providing a payee;
- providing a payee bank;
- presenting the at least one negotiable instrument to the payee;
- having the payee scan the machine-readable code;
- having the payee electronically transfer the drawer's account number, the drawee's routing number, and the at least one piece of information to the payee bank;
- having the payee bank electronically transfer the drawer's account number, the drawee's routing number, and the at least one piece of information to the drawee bank;

having the drawee bank determine whether the drawer's account number, the drawee's routing number, and the at least one piece of information supplied by the payee bank are identical to the information transferred to the drawee bank; and,

having the drawee bank pay the at least one negotiable instrument only if the drawer's account number, the drawee's routing number, and the at least one piece of information supplied by the payee bank are identical to the information transferred to the drawee bank.

Claims 21 and 22 (Cancelled)

23. (Once Amended) The method of claim 20, wherein the method further comprises the steps of:

providing an integrated system, wherein the drawee and the drawer's creation of the at least one negotiable instrument are linked, whereby when the at least one negotiable instrument is created, the information is stored in a drawee database;

providing means for the drawer to view the drawer's account;

having the drawee bank automatically update the drawer's account to reflect payment of the at least one negotiable instrument, thereby creating an up to date amount in the drawer's account.